MYSORE CIVIL ACCOUNT CODE.

VOLUME II.

TREASURY PROCEDURE.

Introductory Notes.

The cash balance of the State is made up of the balance (1) in the Government account with the Banks and (2) at the several Government treasuries. The rules contained in this Volume lay down the procedure to be followed at Government treasuries.

In this Code, the term "Treasury" includes a "Sub-Treasury" (Taluk Treasury).

CHAPTER XVII—CONSTITUTION AND ADMINISTRATION OF TREASURIES.

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Constitution.

297. The Government treasuries in the State are:—

1. State Huzur Treasury, Bangalore.
2. District Treasuries situated at the Headquarters of all Districts (except Bangalore).
3. Taluk Treasuries situated at the Headquarters of all Taluks.

298. The State Huzur Treasury, Bangalore, is under the control of the Comptroller who may entrust the immediate

executive charge to an Assistant Comptroller subordinate to him. The relation of this treasury to Taluk treasuries in the Bangalore District is the same as that between the District treasuries and Taluk treasuries of other districts.

299. The District treasury is in general charge of the Deputy Commissioner who may entrust the immediate executive charge to a 'Treasury Officer' subordinate to him, but he cannot divest himself of the administrative charge.

Assistant and Probationary Assistant Commissioners will, before being placed in independent charge of a treasury, undergo special training in all branches of treasury work in accordance with the scheme approved by Government (*vide* Appendix XXIII) under an experienced Treasury Officer from four to six months). (*G. O. No. R. 1031-40—G. F. 246-04-6, dated 7th August 1907.*) Frequent changes in the charges of treasuries should be avoided.

300. The Taluk treasury is in the executive charge of the Amildar who acts under instructions from the Deputy Commissioner, Treasury Department. The Sheristedar is in the immediate charge of the treasury under the orders of the Amildar and performs the duties of the Amildar during the absence of the latter from the station.

301. As the proper despatch of work in the treasury depends more upon the efficiency of the establishment therein maintained than on its mere strength, the Deputy Commissioner should, as opportunities occur, employ in the treasury only qualified hands who have passed the required tests and who have acquired some practical knowledge of the system of treasury accounts and transfer those unacquainted with such work to other branches under him. (*G. O. Nos. 1660-68—Fl. 136, dated 20th August 1900 and R. 1031-40—G. F. 246-04-6, dated 7th August 1907.*)

Responsibility.

302. The responsibility for the proper executive management and working of treasuries rests entirely with the Revenue authorities and no part of such responsibility devolves on the Comptroller. The Revenue Commissioner, as the Chief Revenue authority, has control over the treasuries and their administration devolves on him.

303. The Deputy Commissioner is responsible to Government for the due accounting of all moneys received and disbursed and for the safe custody of cash, notes, stamps, securities and other Government property. The appointment of a subordinate

to the immediate charge of a treasury in no way relieves him from responsibility. His responsibility extends not only to the security of the cash balance with the stamps and opium and the immediate detection of any irregular practice on the part of the subordinates, but also to the correctness of the returns and the punctuality of their submission and to the implicit obedience of the Treasury Officer to the instructions issued from the Account Office. He should also satisfy himself by personal inspection that the administrative arrangements in the treasury are sufficient and that the rules laid down in the Account Code and the circular orders issued by the Comptroller are actually carried out.

The Deputy Commissioner is bound to satisfy himself, by periodical examination (at least, once in every two months for *cash*, once in every quarter for *deposits*, and once in each half year for *stamps, opium, ganja, securities and bill forms*)—

(1) that the actual stock of cash, stamps, opium, ganja and securities is kept under joint lock and key and corresponds with the book balances, and that the treasurer does not hold a sum larger than is necessary for the convenient transaction of the Government business and that this sum together with value of stamps, opium, etc., in his sole custody is not larger than the security given by him;

(2) that the deposit registers are kept up according to the rules prescribed in Chapter XXI, and

(3) that the stock of bill and similar forms, which are intended for use in monetary transactions, is carefully kept under lock and key by the Treasury Officer and periodically tallied with the nominal balance of such forms on the stock books.

304. The Deputy Commissioner should, when assuming or making over charge of a district, see that the stock of cash, stamps, etc., is thoroughly verified and that the certificate of taking over charge is invariably despatched to the Comptroller on the same day that the transfer takes place.

305. Deputy Commissioners should remember that, when an irregularity of any kind is brought to their notice by the Comptroller, nothing but a report on their own knowledge, after personal investigation, can be considered satisfactory. It is not enough for them to pass on the explanation of a subordinate; reports prepared in this manner have more than once, by lulling suspicion, led to greater irregularity afterwards.

306. It is primarily the duty of the District Treasury Officer to see that the transactions taking place in all the treasuries in his district are fully vouched and recorded, as they

take place, and that the prescribed returns and vouchers are unfailingly submitted to the Comptroller on the appointed dates in a complete and correct condition. It is also his duty to carefully study the codes and circular orders bearing upon treasury work and guide the subordinate staff placed under him (*G. O. No. R. 3395-404—R. M. 16-23-2, dated 24th January 1924*). He should also see that the Taluk treasuries follow the rules and submit their returns in time, in a complete and correct condition.

307. The Amildar is responsible for the due accounting of all moneys received and disbursed, and for the safe custody of all coin, currency notes, stamps, opium, ganja, etc., and other Government property in the Taluk treasury. As regards charges paid at Taluk treasuries, he is personally responsible for the recovery of any erroneous payment made by them. He will seek the instructions of the Deputy Commissioner, Treasury Department, with regard to all payments which he is not competent to make under the rules in the Account Code or in other matters about which he feels any doubt.

NOTE.—In the case of Taluk treasuries of the Bangalore District, necessary instructions will be sought for from the Officer in charge of the State Huzur Treasury, Bangalore.

308. Every Amildar, on taking charge for the first time, of a new taluk, should satisfy himself that the accounts, books, etc., are in proper order and brought up to date. He should also count all cash, notes, stamps, opium cakes and ganja boxes in stock, and take charge of them, after satisfying himself that the balances agree with those shown in the accounts, and send up a report in Form 12, to the Deputy Commissioner and the Comptroller.

Business Hours and Holidays.

309. All the treasuries in the State will be kept open to the public from 11 A.M. to 4 P.M., every day except on Sundays and other authorised holidays. (*G. O. No. Fl. 4022-30—Gl. Fin. 231-04, dated 29th December 1904.*) Ordinarily no work should be done in the treasury after sunset. If, in cases of urgency, any work is required to be done after sunset, such work should on no account be done without sufficient light. (*G. O. No. 2043-52—F. 199, dated 31st August 1900.*)

1. These instructions should be strictly given effect to by all the Treasury Officers, and the Deputy

Commissioners, Treasury Department, should see that they are observed by all the Taluk treasuries under their control.

2. Notice boards specifying the hours for the transaction of business at the treasury, and the dates on which the treasury will be closed on account of public holidays during the ensuing quarter should be posted up conspicuously at each District and Taluk treasury. (*G. O. No. Camp. 145, dated 2nd November 1892.*)

3. If any law requires that the treasury be kept open till a named hour, on any day, the accounts cannot of course be closed till after that time, but should then be closed and agreed in the usual manner before any one leaves office.

Notices.

310. Treasury Officers should themselves see that the notices, which they are required to exhibit under standing orders or other instructions received from time to time, such as those regarding the encashment of currency notes, the supply of small coin and copper, and the like, are exhibited conspicuously in places which the public enter freely, and that no favouritism is shown in the conveniences which the treasury can offer.

Correspondence.

311. All communications regarding treasury work will be addressed to the Deputy Commissioner, Treasury Department, and should (if a reply is needed) be replied to from the treasury office, the reply being signed either by the Deputy Commissioner or Treasury Officer, as may be deemed most suitable with reference to the importance of the communication.

1. Such communications, if written by the Treasury Officer, will be signed by him in that capacity, but if the draft has been approved of by the Deputy Commissioner, it should be signed by that officer or 'for Deputy Commissioner' if he is unable to attach his signature to the fair copy. Whether the draft has or has not been passed by the Deputy Commissioner, the communication should be headed as from 'the Deputy Commissioner, Treasury Department' to the 'Comptroller.' Communications otherwise headed are liable to be returned for amendment.

2. The responsibility for all treasury and account business being with the Deputy Commissioner, it rests entirely with him to lay down to what extent he will allow his Treasury Officer to correspond direct. When the Deputy Commissioner is out in camp or away from the headquarters station, it will generally be convenient to allow the Treasury Officer to communicate direct in treasury matters, as he is in fact obliged to do so in urgent cases.

3. In all matters of importance (and particularly in correspondence with the Comptroller relating to resource questions) the Treasury Officer should submit his drafts to the Deputy Commissioner, whenever it is possible to do so.

4. Although the Deputy Commissioner may manage his treasury by a Treasury Officer, he must not treat his treasury as a separate and independent office. He should not address the Treasury Officer officially or forward the Treasury Officer's explanation instead of his own in reply to questions or enquiries touching his treasury work.

312. In Taluk treasuries, the Amildar while in headquarters, should sign all accounts, returns and fair copies and approve all treasury correspondence, though the signing of pay orders on vouchers, acknowledgment on challans, postings in accounts, etc., may be left to the Sheristedar.

Security of Staff.

313. The officers mentioned below shall furnish security of the amounts entered against their names :—

	Rs.
District Treasurers, Mysore and Shimoga, and Treasurer, State Huzur Treasury	7,000
Other District Treasurers	5,000
District Treasury Head Shroff	1,000
District Trearury Deputy Shroff	500
Huzur Treasury Head Shroff	1,000
Huzur Treasuyr Deputy Shroff	500
Taluk Sheristedar	500
Taluk Treasury Shroff	500
Huzur Treasury Gollar	50

1. The security papers and the letters of agreement including those of Taluk Sheristedars and Shroffs should be secured in the District treasury.

2. The security required should be furnished within one month after the date of appointment, either by deposit of cash in a treasury or Government Savings Bank or by deposit of Government Paper duly endorsed and accompanied by a power to sell, and the appointment will be liable to be cancelled if the prescribed security is not so furnished.

314. The security bonds shall be in the form prescribed in Government Notification No. Fl. 974, dated 11th January 1902 (Forms 63A, 63B and 63C). The promissory notes lodged as security may be returned after six months from the date of vacation of office by the person depositing them, but the bond should be retained permanently, or until it is certain that there is no necessity for keeping it any longer. It is the duty of the Revenue Officers, and not of the Account Department, to see to the existence and sufficiency of the security.

NOTE.—The sufficiency of all securities should be examined by the Deputy Commissioner or one of his Assistants once a year, and a report made to Government within the 15th July. The report must clearly show whether the security is sufficient and in a realizable form.

Audit Objections.

315. Detailed instructions regarding the disposal of objections raised by the Audit Office are contained in Articles 25 and 26.

The objection slips and periodical objection statements showing the result of the examination of the lists of payments and cash accounts should be returned punctually, and the replies in them should be such as will enable the Audit office to adjust the items under objection without further correspondence.

The Deputy Commissioners, Treasury Department, should not simply forward the replies received from the Amildars without further investigation. Such replies as 'Amildar's reply attached,' 'correspondence relating to the subject forwarded herewith' will not ordinarily be accepted. If it be considered necessary to forward such replies or correspondence in original to the Audit Office, a brief abstract thereof in English (if the correspondence is in vernacular) should invariably be given with the remarks thereon of the Deputy Commissioner, Treasury Department. Vernacular papers received from taluks should ordinarily be retained in the District treasury and not sent to the Audit Office. In cases of recoveries of overpayments, it is not sufficient to say 'amount recovered'; the number and date of the voucher in

which the amount has been short-drawn or the treasury item of credit in the schedule concerned, if it is a cash recovery, should invariably be stated.

1. The original objection statement received from the Audit Office should on no account be sent out of the headquarters of the treasury, only extracts therefrom being sent to the officers concerned. The return of the statement should not be delayed beyond the due date for the reason that complete disposal has not been possible. If replies from the Taluk treasuries are not received in time for the return of the objection statement to the Audit Office, the fact should be noted in the reply column in the statement, and the receipt of the reply and its transmission to the Audit Office carefully watched. A copy of the objection statement should be kept in the treasury.

2. To check delays in the submission of the objection statements, the Treasury Officer should maintain a register showing the dates of their receipt in the treasury and the dates of their despatch to the Audit Office.

3. Explanations should be written as concisely and neatly as possible.

4. A register should be kept in the treasury in which separate pages should be set apart for each officer or department, as may be convenient, which draws money from the treasury. As soon as any money is retrenched, whether by separate slip or objection statement, it should be entered at once in this register for recovery, and should be recovered from the next bill presented by the officer concerned. When a certificate, bill or other information is required, a note should similarly be made in this register and its submission watched. When any bill is presented for payment, the register should be consulted to see whether any recovery has to be effected. If any recovery is made it should be noted in the register, the number and date of the vouchers being also quoted in it.

5. When a recovery is made at a treasury by compulsory deduction from a bill, the bill from which deduction is made should be one containing a claim similar to that which was retrenched. Thus, a retrenchment of a contingent expenditure should be from a contingent bill and not from a salary or establishment bill; the recovery of a sum retrenched from a salary

or pay bill need only be made from the next salary or pay bill and of a sum retrenched from a travelling allowance bill from the next payment of travelling allowances; but retrenchments of travelling allowances must be recovered in cash or from salary or pay bill when the officer does not, within a month, present a travelling allowance claim from which they can be recovered.

6. Recoveries should be distinctly shown at foot of the bills (not on sub-vouchers), the number and date of the objection statement or other authority being distinctly quoted.

316. A set of instructions for the guidance of the Treasury Officers is given in Appendix XXIV. Omission to follow any of these instructions and violation of the rules laid down in the Account Codes and circulars issued by the Comptroller will be recorded as treasury irregularities.

Requisitions for corrections of accounts are also recorded in the Treasury irregularity register.

Treasury Inspection.

317. Deputy Commissioners should personally conduct a detailed inspection of their District treasuries at least once a year and submit their reports to Government in the Financial Department, through the Revenue Commissioner.

318. As the Revenue Commissioner is the ultimate head of the department, it is necessary that he should, by inspecting the treasuries, acquire a direct knowledge of the state of each treasury and set right defects. All District treasuries will be inspected periodically (at least once a year) by him and his observations will be communicated to the Comptroller together with any order which, on the occasion of such inspections, he may give to the officers in charge of the treasuries. He will bring important matters to the notice of Government. His attention during such inspection will be confined only to important matters such as those specified in Article 322 (*b*) below. As the object of the Revenue Commissioner's inspection is to effect an improvement in the administration of treasuries, it will be left entirely to his discretion to conduct his inspections in any manner he deems fit. The submission to him of the inspection reports of the Deputy Commissioners and the communications to him of the irregularities detected in the course of audit in the

Comptroller's Office will enable the Revenue Commissioner readily to know what defects and drawbacks in each treasury require to be remedied.

319. The Taluk treasuries in a district should be inspected twice a year by the District Treasury officer and his reports should be submitted to the Deputy Commissioner for review and issue of necessary orders. This inspection will be in addition to the annual inspection by either the Deputy Commissioner or one of his other Assistants. (*G. O. No. R. 3395-404—R. M. 16-23-2, dated 24th January 1924*).

NOTE. 1.—When the District Treasury Officer happens to be in Revenue Charge of a Taluk or Taluks, it is sufficient if he inspects the Sub-treasuries within his revenue jurisdiction twice in the year. A third inspection by him is not necessary. (*G. O. No. R. 2813-23—R. M. 14-25-4, dated 2nd December 1925.*)

NOTE 2.—The Taluk treasuries in the Bangalore District will be inspected by the Officer in charge of the State Huzur Treasury.

320. Deputy Commissioners should instruct officers inspecting Taluk treasuries to note in their reports any irregularities or informalities which come under their observations in the course of inspection, though not connected with the printed questions of the report, and any suggestions that may appear deserving of consideration to promote the efficiency of the treasuries.

321. (*a*) Independently of the Revenue Commissioner's inspection, the Comptroller will arrange to have all the District treasuries (including the State Huzur Treasury) and at least two Taluk treasuries in each district inspected by himself or one of his Assistants at least once in two years with special reference to technical details of the Finance Department. (*G. O. Nos. R. 3432-41—G. F. 134-06-6, dated 2nd December 1907, R. 6102-11—L. R. 401-07-2, dated 21st March 1908 and R. 3395-404—R. M. 16-23-2, dated 24th January 1924.*)

(*b*) The Comptroller will, if he finds it necessary, himself inspect or depute a qualified officer of his department to examine and report on special matters requiring local and detailed investigation.

NOTE.—The system of inspection of treasuries by officers of the Account Department is not intended to relieve the Revenue Commissioner and the Deputy Commissioners of their responsibility in the matter of management and inspection.

322. (*a*) The form of questions prescribed for the use of the Inspecting officers during their inspection of treasuries is given in Appendix XXV.

(*b*) The inspecting officer should see that the boxes in which the money is kept are in good order, that the guard is properly posted, that the Treasurer is not allowed to keep too much money in his hands, that the spare stores of bill forms are kept under proper custody, that the deposit registers and pension registers are all up-to-date, that the standing orders of the department are observed, that the circulars from the Comptroller are understood and filed to date, and generally, that the office registers and records are in good order. He should also notice the degree of supervision exercised by the Treasury Officer in respect of the examination of coin presented by the public and its withdrawal from circulation, if tampered with or unduly worn.

Annual Report on the Working of Treasuries.

323. The Revenue Commissioner should submit to Government an annual report on the working of the treasuries in the State dealing with their administration during the year. The review of the working of treasuries prepared by the Comptroller embodying the results of their working, only so far as *accounts* are concerned, will be sent to the Revenue Commissioner who will take the necessary action on it and incorporate it in his general report to Government.

Records.

324. The periods for which the various records of the Taluk and District treasuries are to be preserved are given in Appendix XXVI.

The records enumerated in this appendix should be destroyed on a certificate, that there are no unsettled objections relating to them, obtained from the Comptroller, by the submission to him of a list in the form prescribed therefor.